Performance Measures

9.1 Activity performance measure targets

Why is performance measurement important?

Performance measurement makes accountability possible. It attempts to ask and answer a simple question: "Are we making progress towards achieving our targeted results?" A credible answer to this question is backed by evidence, which comes from performance measures.

Information about the effectiveness of an activity purchased in the budget is important to gauge whether the investment has proven worth the cost. Analyzing performance can help agencies and analysts learn about how to improve that performance and whether other strategies can contribute more toward activity and statewide results.

Statewide result and strategy indicators are available in reports

Through the Priorities of Government process, the state continues to develop key indicators of success for the ten statewide results and the high-level strategies selected to implement those results. Agencies can now access those indicators by running a Result Area Performance Measure report through Enterprise Reporting at http://reporting.ofm.wa.gov/logonform.csp?action=logoff (or https://fortress.wa.gov/ofm/reporting/ for fortress users).   These reports will display the result and strategy indicators developed to date for the selected result area, as well as the performance measures and expected results statements for each activity supporting each strategy.

Submit performance measure target information for each activity

In the strategic plan due to OFM on June 1 and in the budget submittal, agencies are required to propose at least one performance measure for every major activity. (This is now required by RCW 43.88.090.) The measures should be able to be used to determine whether the agency is achieving or making progress toward the purpose of that activity and toward statewide priorities. For the most part, measures that tell the story about whether an activity is achieving its purpose will be found in the middle range of the logic model – measures of intermediate or immediate outcomes, and outputs. (Appendix A-4 provides an example of the logic model.)

For the budget submittal, agencies must specify targets for these activity measures.

Required totals for each performance measure

For each performance measure linked to an activity in BDS, please indicate:

- The actual performance levels attained for Fiscal Years 2004 through 2006 and the estimate for Fiscal Year 2007. **Amounts in the Performance Measure Tracking system will automatically be carried to performance progress reports so there is no need to re-enter this information if it exists.**

- The performance level target for Fiscal Years 2008 and 2009, assuming all of the agency's proposed decision packages are enacted. (Each decision package that affects the measure should also note the incremental effect on the performance level.)

Each activity must have at least one performance measure or statement of expected result

OFM expects that each major activity in the agency Activity Inventory will have at least one performance measure as is now required by RCW 43.88.090. OFM will contact agencies about activities lacking required performance measures.

If the agency and OFM agree that it is not possible to identify an appropriate quantitative performance measure for an activity at this time, the agency must at least provide a narrative description of the intended outcome for the activity in the "expected results" text box provided in the system. **The agency will not be able to submit its budget to OFM unless each activity is linked to at least one performance measure or has an expected results statement.** The performance measure and expected results information will be printed on the Activity Inventory report that the agency must include in its budget submittal.

Frequently asked questions about performance measures

Q. Is each activity required to have a unique measure?

No. An agency may have several activities that are all targeted toward achieving the same outcome. The system will allow you to link one measure to multiple activities. However, please make sure that the measures linked to an activity will indicate whether the agency is achieving or making progress toward the purpose of that activity and toward statewide priorities.

Q. Is it acceptable for an activity to have both performance measures and an expected result statement?

Yes. In many cases the combination of outcome description and quantitative measures may most clearly express the contribution the activity makes in achieving agency goals and statewide results.

Q. May new measures be proposed as part of the budget submittal?

Yes. You may add measures through the PMT system. You will be required to release the new measures to OFM prior to releasing your agency budget. A special release option for this is available to release only new measures to OFM. This will prevent the release of existing measures in various stages of editing for tracking purposes.

Q. I am confused by all the different terminology — outcome measures, activity measures, result area indicators, GMAP measures. Could you clarify?

Appendix A-4 offers descriptions and examples of different types of measures and clarifies terms being used in POG and GMAP.

What are the features of a good performance measure?

A good activity performance measure:

○ Indicates whether the activity is achieving its purpose or is contributing to statewide results

- Immediate and intermediate (and in some cases high-level) outcome measures are preferable, although in some cases output and efficiency measures help to tell the story.

○ Is reliable, accurate, and verifiable

- Is the measure too broad? Can it be measured with enough accuracy for the data to be relied upon for decisions?

○ Is understandable and relevant to citizens and stakeholders who may have little or no knowledge of agency operations

- State the measure in clean and brief terms.

- Do not use jargon or acronyms.

- Use footnotes to clarify if necessary.

- Remember that the measures will sometimes be sorted by result area, out of their agency context. Can the statement of measure be understood on its own?

○ Is stated in positive terms (or in terms of the desired outcome)

- For example, "Percentage of users in compliance" is better than " number of users out of compliance."

○ Is connected to challenging, yet achievable targets

- In the case of new measures, with no past experience on which to base a target, use literature searches, industry

> standards, comparable organization benchmarks, customer requirements, or other potential sources of comparison to set realistic targets.

○ Can be obtained at a reasonable cost and effort

- Proxy measures are sometimes appropriate as 'next best' measures where it is not cost-effective or feasible to collect true outcome measures.

Where can I find help in developing performance measures?

The Governor's Office of Management, Accountability and Performance, in conjunction with the Department of Personnel, is now offering workshops to build agency expertise in performance measure development. You can find information about these workshops at http://www.dop.wa.gov/Employees/TrainingAndDevelopment/GMAP.htm or by contacting Lynne McGuire at lynne.mcguire@ofm.wa.gov for other guidance on developing performance measures.

9.2 Performance Measure Incremental Estimates Report

Indicate the effect of decision packages on activity performance

As discussed in Section 4.2**, a decision package should describe the change in performance that can be expected from the investment.** If this change in performance is a change in one of the activity performance measures reported in the system, agencies should indicate the incremental change in that performance measure related to that decision package. If the decision package will contribute to some other ongoing activity result, the agency should establish a new measure in the system for that activity. Any activity performance measure descriptions established in BDS will be available on the selection list in the decision package screen.

If the decision package is expected to bring about some other kind of performance change — a change that would not be relevant as an ongoing measure of activity results – please do not create a performance measure for the sole purpose of describing the effect of a decision package. This information should be described, and if possible, quantified in the decision package narrative.

These incremental changes recorded in the BDS decision package console will be listed in the Performance Measure Incremental Estimates report that is required as part of the budget submittal.